

LOCAL GOVERNMENT TAX CONTROL BOARD



**RECOMMENDATIONS
TO THE
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
FROM
FEBRUARY 24, 2005**

Call To Order

Mr. Riehle called the February 24th, 2005 Local Government Tax Control Board Meeting to Order at 9:00 am. Board members present were James Riehle, Richard Eckerle, Stan Mettler and Bob Harris.

Recommendation

Bob Harris motioned to approve the minutes from the December 9th, 2004 Local Government Tax Control Board Meeting. Stan Mettler seconded and the motion carried 4-0.

Stan Mettler motioned for Jim Riehle to continue as President until the restructuring of the Board occurs. Rich seconded and the motion carried 4-0.

City of Shelbyville, Shelby County Lease

The unit is requesting approval to enter into a lease with the Shelbyville Fire Station Building Corporation with annual lease rental payments in the amount of \$580,000 for a term of twenty-one (21) years for the purpose of the acquisition, construction, installation and equipping of land, buildings, structures and improvements comprising a new fire station. The estimated tax rate is .0689 based on an assessed value of \$841,480,159 and an annual levy of \$580,000. This is a controlled project. The Common Construction Wage is applicable and the hearing was held January 19th, 2005 and passed with a 3-2 vote.

Taxpayer Objections:

A public hearing was held on January 3rd, 2005. The date of publication for the Notice of Determination was January 7th, 2005. The Auditor certified No Remonstrance on February 9th, 2005.

Attendance

The following people attended the hearing: Herschel Frierson (Crowe Chizek/Manager), Kyle M. Baker (City Attorney), Courtney Schaafsma (Crowe Chizek), Tom DeBaun (Plan Commission Director), Scott Furgeson (Mayor), Brian C. Schubert (Axis Architecture), Todd Anderson (Fire Chief), Kevin Cooper (Axis Architecture), and Bruce Donaldson (Bond Counsel from Barnes & Thornburg).

Discussion

They have three fire stations and they need to replace the station used as their headquarters. They need to add a training center and will need to move some equipment around so that all the vehicles can be housed. They have one piece of equipment that is not housed because no bay is big enough. The current headquarters building was built in 1917. Station #2 was built in 1960.

They promised the citizens a new headquarters twenty years ago and they feel they need to follow through with that promise now.

There were no taxpayers in attendance at any of the meetings and there has been no remonstrance. They formed a citizens group a year ago with their main purpose being to find a suitable place to build a new station and to make sure it would meet the needs of the public.

Questions by the Board:

James: Will you need to acquire land?

Answer: They are in the process of finalizing all the agreements. They are going to purchase the three adjoining buildings, tear them down, and build on to the current station. One of the agreements has already been finalized.

James: Did your council approve the plans?

Answer: Yes, unanimously with a 7-0 vote.

Bob: What type of building will the new station be?

Answer: (Showing the architectural rendering) It is going to be a brick building that will tie in to the other downtown architectural features. It will be built on to the current station and expanded onto the side where these three buildings are currently.

Bob: Does your proposal include demolishing the other three buildings?

Answer: Yes. We currently have a snorkel/aerial truck that will not fit in any of the bays. This new bay will allow them to house that truck.

Richard: Are your firefighters all paid?

Answer: Yes, they have sixty personnel, including paramedics and ambulance service staff.

James: Do you provide ambulance service to the whole County?

Answer: Yes.

Bob: Does the equipment included in the cost of the project have a life span of twenty-one years?

Answer: Yes, most of it.

Bob: The DLGF would like you to send us a detailed list of the equipment included in your proposals. For example: Furniture is so much, computers so much, etc.

Bob: The Common Construction Wage passed with a 4-1 vote; do you know who had the opposing vote and what the issue was?

Answer: It was the AFL-CIO representative and he opposed the vote because we did not adopt the AFL-CIO wage scale. And actually, the vote was 3-2 - the Governor's Representative also opposed the wage scale that was adopted.

Stan: The amortization scale that was submitted with your proposal – do you think that this is reasonable and that the rate is reasonable?

Answer: Three to five percent is reasonable based on where the market is today.

Stan: Were there any petitions or remonstrance against the project?

Answer: None.

Recommendation

Richard Eckerle motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$580,000 for a term not to exceed twenty-one (21) years. Stan Mettler seconded and the motion carried 4-0.

Sugar Creek Township, Hancock County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$700,000 for a term of six (6) years (final maturity date no later than January 1, 2012) for the purpose of financing the purchase of firefighting apparatus and equipment, including an aerial ladder truck. The estimated tax rate is .0216 based on an assessed value of \$560,043,350 and an annual levy of \$121,200. This is an uncontrolled project. The Common Construction Wage is not applicable.

Taxpayer Objections:

A public hearing was held on January 18th, 2005. The date of publication for the Notice of Determination was January 20th and February 5th (due to error on newspapers side), 2005. The Auditor certified No Remonstrance on March 8th, 2005.

Attendance

The following people attended the hearing: Myra Wilkinson (Township Administrator), Robert Rehfus (Fire Chief), Kirk Grable (Bond Council), D.J. Davis (Local Council), Eric Reedy (Township Accountant), Joseph Fitzgerald (Fire Department Captain), and John Gunn (Township Board President).

Discussion

(Refer to handout). The unit adopted and passed an approving resolution for the project on January 18th, 2005. They had a problem with the Notice of Determination being published in one of the two newspapers. One of the newspapers published the Notice as requested, but the second failed to publish the Notice on January 20th, which is the date they requested the Notice to be published. The second Newspaper did eventually publish the Notice on February 5th and so the remonstrance period will end March 7th. The day after they will ask the Auditor for a Certificate of No Remonstrance.

The fire service area's assessed value increased nearly 13% in 2004 and over 14% in 2005. The Town of Palestine's assessed value will be added to the fire service in 2006, which will decrease the tax impact of this request by 12%.

The township's 23 year-old aerial truck can no longer be used in an emergency because of major catastrophic failure, and it no longer passes NFPA standards. The book value of the truck is less than \$1,000 and the repair cost would be \$25,000. Over the last five years, repair bills for this truck have been approximately \$75,000. This aerial truck is one of only two in the County. The other aerial truck was out of service for six months and just recently, in January, was put back in service.

The Township plans to use the Cumulative Fire Fund to make the debt payments in 2006 and 2007, then use a debt service fund for years 2008 –2011. The current debt will be paid off in 2007 and the expected loan payments for this proposal are about the same as the current debt, so they do not expect an increase in the tax rate, especially with the increase in assessed value.

The unit gave details of building permits and construction projects currently approved in Hancock County. The net effect of the growth will increase the fire services' assessed valuation by 36%. The anticipated tax rate impact for a home with an assessed value of \$200,000 is \$21.96, or \$1.83 per month.

Questions by the Board:

James: Does your coverage area include more than just the Township?

Answer: We provide mutual aid to four other townships and two towns – Vernon, Jackson, Brown, and Mud Creek townships and the cities of Fortville and Greenfield. They provided mutual aid to Greenfield eighty-six times and to Buck Creek forty-five times last year. On a recent rescue attempt, four firefighters suffered hypothermia because they had no way but to go into freezing water to attempt the rescue. When the aerial truck got to the scene, it was able to extend out over the water, with the rescuers on the ladder itself, and make a successful rescue, without any further harm to rescue personnel.

James: How big is your department?

Answer: There are nineteen career and thirty-seven volunteer firefighters that work out of three stations.

Bob: Does the equipment list submitted with the proposal include all the equipment that will be purchased in order to equip the truck?

Answer: There may be the addition of an extrication tool. We would like to equip every vehicle we have with an extrication tool for immediate use if they are the first on a scene.

Bob: The Commissioner would like to see an updated list of the equipment to be purchased and the cost associated with that piece of equipment.

Bob: My next question may be an obvious one, but, is there a real need for an aerial truck?

Answer: We think so. There are several new subdivisions going up that have two and three-story houses in them that set back far from the road. We also have a lot of old church buildings and we all know what is happening to church buildings right now. It is impossible to reach these types of buildings with ground ladders. Aerial trucks are also the best way to reach the roofs of

school buildings. There is also a twenty-five town house complex in the area that they make a run to every time there is a thunderstorm. Lightening causes a fire there every single time it storms. Also, aerial trucks today are being built to extend down below ground level to assist in downhill and underwater rescues. In comparison, Indianapolis fire stations have thirteen aerals plus each township has at least one themselves. In addition to the other buildings we have, we still have a lot of farmers in our township. An aerial truck would be the only way we could reach someone in the event of entrapment or problems inside of a silo.

Bob: Are you anticipating coming back for an emergency loan?

Answer: Yes.

Bob: Will this be the fourth year you have requested one?

Answer: No, the first year was in 2004.

Recommendation

Stan Mettler motioned to recommend approval to issue general obligation bonds in the amount of \$664,600. Jim Riehle seconded and the motion carried 4-0.

Town of Yorktown Redevelopment Authority, Delaware County Lease

The unit is requesting approval to enter into a lease with the Yorktown Redevelopment Commission in the amount of \$1,400,000 with annual lease rental payments in the amount of \$135,000 for a term of twenty-two (22) years for the purpose of (Project 1) constructing a parking lot, pedestrian bridge and an entryway to the municipal park and (Project 2) downtown streetscape and water infrastructure improvements which are in the Yorktown Economic Development Area No. 1 in the Town. The unit has pledged TIF and COIT revenues to make the lease rental payments and is asking for property tax backup consideration only. The estimated tax rate, should TIF and COIT revenue become insufficient, is .0681 based on an assessed value of \$198,133,500 and an annual levy of \$135,000. This is an uncontrolled project because the total cost does not exceed \$2,000,000. The Common Construction Wage is applicable and the hearing is to be held before the LGTCB meeting.

Taxpayer Objections:

The Redevelopment Commission held a public hearing on December 13th, 2004 and by the Redevelopment Authority on January 25th, 2005. Resolutions were passed by the Redevelopment Commission, and also by the Redevelopment Authority on November 23rd, 2004. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Tim Kelty (Town Manager), Lisa Lee (Bond Counsel with Ice Miller), Chris Hintz (H.J. Umbaugh), Jim Shields (GRW Engineers), Richard Treptow (H. J. Umbaugh), and Steve Cooper (EDC).

Discussion

They have several projects going on at once. They are working on a downtown revitalization project - a ten-block street-scaping project that includes furniture, stoplights, etc.; the second project is a water-line relocation associated with the downtown project; the third is a pedestrian bridge over Buck Creek and a new parking lot for the downtown area.

Lisa Lee: INDOT is also doing major work on SR32 and they have received several grants from INDOT for their enhancement project. The bond issue will pay for the construction of the parking lot, the new park entrance, the relocation of the water line portions. None of the bond issue will pay for streetlights, furniture and associated costs.

They have been working with INDOT for the last six years to widen SR 32 for the purpose of redevelopment. The proposal of today is only a small portion of the total project costs.

Questions by the Board:

Stan: Has a TIF area already been established?

Answer: Yes, it was established in 2002.

Stan: Is Yorktown planning on expanding?

Answer: Yes, they have planned annexations toward Cowan, which is north of the Town. They have issued eighty-three building permits. None of the developing areas are part of the TIF designation.

Bob: What are the current TIF and COIT revenues?

Answer: TIF is bringing in about \$87,000 and COIT is \$122,000. The debt service is going to be approximately \$190,000. There is approximately 110% coverage.

Bob: Are you committed to using these two sources of revenue toward the project?

Answer: Yes – both sources have been formally pledged to this in the lease agreement itself and all revenue will be used for this project first.

James: Have any of the annexations taken place yet?

Answer: They were filed in February 2002, but there was a remonstrance and a hearing had to be held. The hearing was held on the 10th and we are still waiting for the final determination.

The revenue that the annexations will bring in is not part of the numbers included in this proposal.

Steve Cooper (Resident): Thirty years ago I was the President of the Chamber of Commerce, I also used to be the Town Manager. This project is an exciting one for this area. I am the Community Spokesperson and I strongly encourage you to help these people in moving forward with this project.

Recommendation

Stan Mettler motioned to recommend approval of a lease with Richard Eckerle seconded and the motion carried 4-0.

Coatesville Public Library, Hendricks County Lease

The unit is requesting approval to enter into a lease with the Coatesville Clay Township Library Building Corporation in the amount of \$1,380,000 with maximum annual lease rental payments in the amount of \$120,000 for a term of twenty-three (23) years for the purpose of constructing and equipping a new library building. The lease includes an option to purchase said building. The estimated tax rate is .1253 based on an assessed value of \$83,000,000 and an annual levy of \$104,000. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held January 27th, 2005 and passed with a 4-0 vote.

Taxpayer Objections:

A public hearing was held on February 8th, 2005. A Resolution/Ordinance was passed on January 11th, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Jane Herndon (Ice Miller), Cheryl Steinborn (Director), Greg Steuerwald (Local Counsel), Lonnie Therber (Financial Advisor), and Mike Montgomery (Architect).

Discussion

They were the smallest library, at that time, to receive a Carnegie Grant. Their building was destroyed in the 1948 Good Friday tornado. Their current building was re-built in 1950. It is not easily accessible because of stairs. They have major overcrowding issues. In 2001, the Library Board, in cooperation with the Town Board, decided to do a feasibility study. Because of the way the library was originally constructed, they encountered property-line problems. They finally, just recently, have all those issues straightened out. They will need to tear down the current building and move it to a new location a few feet away (because of the property line issue) and build a new library building.

Questions by the Board:

James: Do you have good community support for the project?

Answer: Yes.

Stan: What is the population you serve?

Answer: About 2200.

Bob: You have listed \$110,000 for furniture and technology equipment. Will all this equipment last twenty-three years?

Answer: The furniture will, but the technological equipment realistically will not.

Bob: The Commissioner is requesting an equipment list that breaks down the equipment into categories like furniture, computers, etc., and the costs associated with each item. The concern is paying twenty-three years for items that do not have a lifespan of twenty-three years.

Bob: Did any taxpayers attend any of the Board meetings?

Answer: None.

Recommendation

Richard Eckerle motioned to recommend approval of a lease in the amount of \$1,380,000 with maximum annual lease rental payments in the amount of \$120,000 for a term of twenty-three (23) years. Stan Mettler seconded and the motion carried 4-0.

Pendleton Public Library, Madison County Lease

The unit is requesting approval to enter into a lease with the Pendleton Community Library Building Corporation in an amount of \$5,000,000 with maximum annual lease rental payments in the amount of \$484,000 for a term of seventeen (17) years for the purpose of renovating, constructing and equipping a library building. The estimated tax rate is .0763 based on an assessed value of \$582,000,000 and an annual levy of \$444,000. This is a controlled project. The Common Construction Wage is applicable and the hearing was held February 14th, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was October 11th, 2004. A public meeting was held and a resolution adopted on October 25th, 2004. The Notice of Determination was published November 3rd, 2004. The Auditor certified No Remonstrance on February 4th, 2005.

Attendance

The following people attended the hearing: Jane Herndon (Ice Miller), Michael C. Lacey (Attorney for Library Board), Judy Witt (Interim Director), JoAnn Fryback (Business Manager), Lonnie Therber (Financial Advisor), and Mike Montgomery (Architect).

Discussion

They serve Green and Fall Creek Townships and the Town of Pendleton and provide mutual aid to Adams Township in Hamilton County. Their library was built in 1991 and is already in need of an expansion. The population has increased by 20-25% in each township between 1990 and

2000, and easily that much more since 2000. The original useful life of the building was anticipated to meet their needs until 2010 and they have fallen short of that date by about six years. The need for expanded services includes technology, meeting room space, collection space, staffing area, childrens' area. Our statistics show that we have a space of .65 square feet per person and the state average is 1.41 square foot per person. They have inadequate staff and shelf space. They have frequent conflicts with scheduling the meeting room, which will not hold more than seventy people. The ever increasing in popularity genealogy section is in storage and not accessible to patrons. They have had problems with the heating/AC system for the last five years.

They have a lot of community support. They held two public meetings in 2004 – one in October and the other in November. Less than five people combined attended the meetings. The main concerns were with parking issues, the tax impact, and would the library remain open during construction. Other concerns had to do with moving Walker Drive to accommodate the new building – would they close Walker Drive, which is in need of major repairs anyway. There has been no remonstrance or opposition and the Town is in support of the project.

The Board of Trustees feels that there will be a minimum effect on the operating budget. They will not need any more staff. The savings associated with updated technology and utilities should actually save them money. They plan on installing a vertical geothermal heating system.

Questions by the Board:

James: Is the street relocation going to be a problem?

Answer: No, everyone is on the same page.

Bob: Is the street relocation a part of the construction cost of the new library?

Answer: Yes. There is a land swap involved.

Rich: The \$250 per sq. ft. includes other costs than just the actual construction of the building?

Answer: Yes, it includes everything, demolition, road relocation and construction.

Rich: What is the sq. ft for just the building itself?

Answer: About \$120 per sq. ft. for the construction and renovation portion.

Bob: Page 2 of the hearing information sheet asks if this will result in an increase in levy impact and you have checked both boxes, do you still expect this to increase your levy?

Answer: Realistically, we do not expect an increase because of the savings in utility costs will offset any increases elsewhere.

Bob: Discussed the need for a new equipment list that details categories and lifespan expectancies of the equipment and furniture being purchased.

Bob: The gentleman that has agreed to donate the land - is the agreement in place?

Answer: Yes.

Recommendation

Richard Eckerle motioned to recommend approval of a lease in the amount of \$5,000,000 with maximum annual lease payments not to exceed \$484,000 for a term of seventeen (17) years. Stan Mettler seconded and the motion carried 4-0.

Franklin Township, Marion County Emergency Fire Loan

The unit is requesting approval of an emergency fire loan in the amount of \$1,588,835 for a term of one year to provide fund for the firefighters operational budget shortfall for 2005. The anticipated tax rate is .0806 based on an assessed value of \$1,904,819,784, and an annual levy of \$1,535,147.

Per the following calculation, the unit shows a need of (2004 values, levies and revenues used since they have not been certified for 2005 yet):

EMERGENCY LOAN CALCULATION

| | |
|---|---|
| January 1, 2005 Cash Balance Fire Fund | \$1,090,352 |
| Plus: 2004 Certified Tax Levy | \$2,554,115 |
| Plus: Estimated 2004 Revenues | <u>\$654,603</u> |
| Total Funds Available 2005 | \$4,299,070 |
| Less: Encumbered Appropriations | \$210,000 |
| Less: Estimated 2005 Expenditures | <u>\$6,337,371</u> |
| Funds Remaining | (\$2,248,301) |
| Emergency Loan Requirement | <div style="border: 1px solid black; padding: 2px; display: inline-block;">\$2,248,301</div> |

Taxpayer Objections:

Public Meetings were held on January 4th, 2005. The Notice of Determination was published January 7th, 2005. The Auditor certified No Remonstrance on February 8th, 2005.

Attendance

The following people attended the hearing: Terry Royalty (Trustee), Joe Ernest (Fire Chief), Debbie Lind (Administrator), Tricia Leminger (Attorney), and Eric Reedy (Financial Advisor).

Discussion

(Refer to handout) The unit began by giving a historical overview of Marion County and the current and planned construction in Franklin Township. They also discussed the increase in emergency response runs and the decrease in firefighting personnel. The unit then detailed the Department and today's challenges. Even with the recent new hires, the Department is still way below the NFPA guidelines for staffing. The Department's salaries are also well below the majority of the surrounding Departments.

This year's emergency loan request is for \$1,588,835, which will fund six new firefighters, and is \$100,000 less than last year's request. The 2005 loan request should not result in an increase in property taxes for the typical homeowner because of the increase in assessed value.

Questions by the Board:

Stan: What year did the levy appeal take effect?

Answer: In 2002, we will be eligible for another levy increase in 2006.

Stan: Did you hold any public hearings?

Answer: Yes and the loan request was approved 7-0 by the Board.

James: Was there any opposition from the public?

Answer: None.

The unit then discussed the need for salary increases.

Bob: Was the 12.5% increase for every position or an overall average?

Answer: That is an overall percentage of all positions. For example, the Battalion Chief's salary increase was 17%. Even with the salary increase to all positions, they are still 15% below the Marion County average.

Bob: What is the five-year plan to fund salaries? Are you going to seek approval for emergency loans every year and then continue to request a levy appeal every four years?

Answer: We do not see the light at the end of the tunnel. There has not been any legislative relief. They are experiencing over 10% increase in growth and the average levy growth is 5% or less by statute. They see no other choice but to come for relief through the measures presented to them.

Rich: Discussion with unit on what Brian Bosma is doing to help them legislatively now that he is Speaker of the House.

James: What is your turnover rate?

Answer: Since 1977, it has been 25%.

Bob: What kind of raises did you give in 2004 and 2003?

Answer: We gave 3% in 2004 and 6% in 2003. We are continuously playing catch-up.

Recommendation

Stan Mettler motioned to recommend approval of an emergency fire loan in the amount of \$1,588,835. Richard Eckerle seconded and the motion carried 3-1. Bob Harris opposed the motion.

Noble County Public Library, Noble County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$3,925,000 for the purpose of financing the cost of the renovation of and improvements to the Central Library Branch in Albion and the West Library Branch located in Cromwell and the construction of a new library building in Avilla. The estimated tax rate is .0337 based on an assessed value of \$941,886,164 and an annual levy of \$317,276. The Unit says that this is an uncontrolled project due to the proposed combined improvement project will address necessary upgrades and improvements at three separate Library branches. Each branch library project is independent of the other two and the project costs. The Common Construction Wage is applicable and the hearing was held January 26th, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

A Public Hearing for an Additional Appropriation was held January 6th, 2005. A Resolution was adopted December 2nd, 2004. The Auditor Certified No Remonstrance on January 26th, 2005.

Attendance

The following people attended the hearing: Jane Herndon (Ice Miller), Sandy Petrie (Director), George Morrison (Architect), James Shruck (President of the Library Board), and Todd Samuelson (Financial Advisor).

Discussion

They have three library buildings. They have had discussions over the last ten years on expanding the current buildings. They have had a total of twenty-four community meetings. They have taken their proposals to organizational and club meetings to outline their plans. They became really serious about the expansion in the last sixteen months. There has been no opposition from the start. About fifteen to twenty people combined attended the meetings. They need to expand and renovate many different areas and complete the unfinished basements in each of the buildings.

The County continues to grow 20-22%. The East Village area has grown by 50% and circulation has increased by 20% in the last three years. They also need to increase the services they provide. One of the areas most in need of improvement is providing more meeting room space to meet community needs. They have received a lot of support from the community. They did not go through the petition-remonstrance process because there has been no opposition. Location was one of the biggest issues and why it has taken ten years to follow through with the original plans.

Questions by the Board:

Stan: Why do a bond issue instead of a lease?

Answer: Because they can – it is cheaper and they have the capability.

Stan: With the new construction, will your operating fund cover the increased expenses?

Answer: They will not have to raise it a lot because they have been hiring staff all along to prepare for this. There will also be a savings in utility expense that will help to offset any increase in operating expenses.

Bob: Your current debt is for the Albion Branch?

Answer: Yes.

Bob: Will you need to hire any new staff?

Answer: Only one and that position has already been built into the budget.

Bob: Will there be a need to purchase new equipment?

Answer: Some furniture will be needed, but the other equipment has already been obtained.

They have received grants to pay for the other needed equipment. There is only \$125,000 worth of new equipment attached to this proposal.

Bob: The Commissioner would like to have an updated equipment list broken down into categories and the cost associated with each category. For example: computers, furniture, etc.

Recommendation

Stan Mettler motioned to recommend approval to issue general obligation bonds in the amount of \$3,925,000. Bob Harris seconded and the motion carried 4-0.

Portage Township, Porter County Public Works Project Loan

The unit is requesting approval to obtain a public works project loan in the amount of \$110,000 for a term of five (5) years for the purpose of purchasing land adjacent to the Senior Center for future expansion of the Center and the construction of a second egress to the Center. The estimated tax rate is .0012 based on an assessed value of \$1,820,798,522 and an annual levy of \$22,158. This is an uncontrolled project. The Common Construction Wage is not applicable.

Taxpayer Objections:

The date of publication for a public hearing was December 9th, 2004. A public hearing was held December 21st, 2004. The Notice of Determination was published December 22nd, 2004. The Auditor Certified No Remonstrance on January 21st, 2005.

Attendance

The following people attended the hearing: Jack Jent (Trustee), Patricia Jackson (Chief Deputy), and Evan Cloyd (Bookkeeper).

Discussion

The Senior Center provides services for 800 members. There is only one road leading in and out. They would like to purchase land to build another road, which will also take care of some safety issues. Right now, the current road is a dead end.

Questions by the Board:

Rich: How large is the property?

Answer: It is 3 ¼ acres; a narrow, long piece of land approximately 300 feet wide and 800 feet long.

Rich: What was the land appraised for?

Answer: They received two appraisals. One gave a value of \$113,000 and the other \$111,000.

Stan: Who is at the Senior Center?

Answer: It is not a Retirement or Assisted Living Center. It is just a place where Senior's can hang out. It has a Nutrition Center that can feed about 80 people.

Stan: Who owns the Center?

Answer: The Township.

Rich: Is it located in Portage City?

Answer: Yes, almost downtown.

Rich: Do you have plans for expanding the building?

Answer: If the occasion arises, then yes, we would consider expanding the Center or the parking lot.

Rich: What are public comments on your plans?

Answer: There has been no remonstrance against it.

Stan: Who would build the road?

Answer: Local contractors – it will take them two to three years to complete the road. We do not want to add a lot of debt all at one time.

Bob: How close are you to getting the land?

Answer: We have until the end of March to close the deal or we loose the property. The parcel has been in the same family for generations. The current owner is a lady who is eighty years old and would like to sell the land to the Center.

Rich: Is this appraisal a reasonable one?

Answer: They think so. It is a cheap price for being in the heart of the City.

Recommendation

Stan Mettler motioned to recommend approval of a Public Works Project loan in the amount of \$110,000 for a term of five (5) years. Rich Eckerle seconded and the motion carried 4-0.

**Town of Shipshewana Redevelopment Commission, LaGrange County
Lease**

The unit is requesting approval to enter into a lease with the Shipshewana Redevelopment Authority in an annual amount of \$375,000 for a term of twenty-five (25) years for the purpose of certain land and public improvements, including a convention center, a visitor's center and Hudson car museum. The unit has pledged Storm Water Fees, Water Improvement Fees, Wastewater Improvement Fees, TIF Revenues and Visitor User Fees revenues to make the lease rental payments and is asking for property tax backup consideration only. The estimated tax rate, should the local available revenues become insufficient, is .6023 based on an assessed value of \$60,682,440 and an annual levy of \$365,465. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held February 1st, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The Date of Publication for a public hearing was January 17th, 2005. A Public Hearing was held and a Resolution adopted February 1st, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Greg Guerrettaz (Financial Advisor), John R. Thomson (Construction Manager), Kurt R. Bachman (Town Attorney), Bill Fishing (Bond Counsel), Norm Kauffman (Town Manager), Michael L. Muast (Architect), Ruth Ann Downey (Clerk Treasurer), Esta M. Hostexler (Donor), Eldon Hostexler (Donor), and Kevin Carlson (Focus Development).

Discussion

They are here to request approval in order to construct a new Town Center. It will have three major components: 1. A Car Museum to house donated Hudson Cars, 2. An Expo Center with 14,000 sq. ft. that can be used for various purposes, and 3. A Visitor's Center, which will include a Welcome, Tourist, Historical Gift Shop, and Information areas.

The Town Council has five members and all of them are 100% in support of the plans. Shipshewana is a major visitors area. They need to support the tourism they receive for further economic development. They have a 2000 Comprehensive plan that includes the support of a Visitor's Center. They are already receiving calls to rent the expo center for trade shows, wedding receptions, etc. Many different agencies will come together in one place and will be able to share expenses and plans.

The unit then gave an overview of the architectural rendering and plans for development. The area is on eighteen acres. On the other side of the road from the Town Center will be a hotel and a water park.

The financial view has been a challenge. They have received a grant from INDOT, the land has been donated, the Hudson cars are being donated and also a cash endowment to protect the cars. They have a local bank that is willing to purchase the bonds below what City Securities will give them and in the process save \$53,000 in underwriters fees. The revenue from the hotel and the water park will be used to make the debt payments. This is a property-tax backup request only. They believe they have all their ducks in a row as far as the financial aspect of the proposal goes.

Eldon Hostexler: My wife and I are donating thirty-seven Hudson cars to the City of Shipshewana. I started collecting Hudson cars the first year they were made and I now have one for every year they were made - right up to the time they merged with Chrysler and they stopped making them. We are both ready to retire and we are no longer able to keep the cars up anymore. There are over sixty-eight car clubs looking for places to hold events across the United States. We believe that this is the answer for maintaining the cars and protecting their future. We are also donating \$500,000 as an endowment for the maintenance and up-keep of the cars.

James: What is the age of your oldest Hudson? What year did they stop making them?

Answer: I have a photo album year that I can show you with all the cars I have.

Stan: Is the TIF district already in place?

Answer: Yes, it is already up and running. We could probably already make the debt payment out of the TIF revenue.

Stan: Is the hotel already locked in to develop the land?

Answer: Yes, the agreements and the funding for both the hotel and water park are already in place. We have written Commitments signed and delivered. They are just waiting for spring to start the construction.

Bob: How long will the endowment take care of the cars?

Answer: Depending on how many volunteers they get to help out. It takes approximately \$20,000 a year for maintenance. The Car Museum will not be a burden to the taxpayers.

Bob: Will this increase the need for staff?

Answer: Yes, we will need to hire more staff. We have submitted not only a financial plan, but an operating plan as well for the next ten years. The facility, we anticipate, will be self-supporting.

Bob: Everybody is committed for the property tax backup?

Answer: Yes, definitely.

Recommendation

Rick Eckerle motioned to recommend approval of a lease in the amount of \$4,100,000 with maximum annual lease rental payments not to exceed \$375,000 for a term of twenty-five (25) years. Stan Mettler seconded and the motion carried 4-0.

**Harmony Township, Posey County
Fire Equipment and Apparatus Loan**

The unit is requesting approval to obtain a fire equipment and apparatus loan for the purpose of purchasing a 1995 Pumper/Tanker to replace two vehicles - a 1974 Pumper Truck and a 1974 Tanker Truck for a term of six (6) years. The estimated tax rate is .0317 based on an assessed value of \$34,438,430 and an annual levy of \$10,915. This is an uncontrolled project. The Common Construction Wage is not applicable.

Taxpayer Objections:

The Date of Publication was January 12th, 2005. A Public Hearing was held January 24th, 2005. The Notice of Determination was published February 1st, 2005. The Remonstrance Period will end thirty days after the Notice of Determination was published.

Attendance

The following people attended the hearing: James Alsop (Trustee).

Discussion

They are here seeking approval of a loan to purchase a new fire vehicle. Volunteer firefighters are dwindling. They are going from two trucks to one in order to have enough people to man the trucks. This has been a three-year process. They need to upgrade their equipment, not necessarily purchase a new one. They have several people who have gone all over the country looking for a good used vehicle that will meet their needs. They are working their way up to where they can purchase a new one.

Questions by the Board:

Stan: Is all the equipment centrally located?

Answer: Yes, both the Town and the Township are located in one building and they share all the equipment. As they sell the current vehicles, the profit will be applied to the debt. The truck they are looking at is located in North Carolina. They will go down and drive the truck back.

Bob: You have no current debt?

Answer: No.

Bob: Was there any opposition to the loan?

Answer: None.

Recommendation

Rich Eckerle motioned to recommend approval of a fire equipment and apparatus loan in the amount of \$112,000 for a term of six (6) years. Stan Mettler seconded and the motion carried 4-0.

Town of St. John, Lake County Lease

The unit is requesting approval to enter into a lease with the St. John Building Corporation in the amount of \$8,750,000 with maximum annual lease rental payments of \$1,331,000 for a term of twenty-three (23) years for the purpose of constructing an addition to the Town Hall. The estimated tax rate is .0765 based on an assessed value of \$1,444,890,000 and an annual levy of \$1,105,800. This is a controlled project. The Common Construction Wage is applicable and the hearing was held February 7th, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The Date of Publication for a Public Hearing was October 1st, 2004. A Public Hearing was held and a Resolution adopted on October 21st, 2004. The Notice of Determination was published October 23rd, 2004. The Auditor Certified No Remonstrance on November 23rd, 2004.

Attendance

The following people attended the hearing: Stephen Carter (Financial Advisor with H. J. Umbaugh), Steve Kil (Town Manager), Mark Bereni (Town Council), Philip Faccenda (Bond Counsel with Barnes & Thornburg), Dan Swany (Architect with CSK Architects), Peter Faberbock (Engineer), Chuck Pearson (Town Councilman), R. Pharazar (of St. John), F. Frego (Police Chief), Mike Fryzel (Town Council President), Jerri Teible (Town Council Vice President), Sherry P. Sury (Clerk Treasurer), and David Austgen (Town Attorney).

Discussion

(Refer to handout) They have two ambulances, along with their firefighting vehicles. The vehicles are stacked bumper to bumper in the bays they have and it is hard to get individual vehicles out. Their operating expenses continue to rise. They have purchased three parcels of land for the purpose of meeting the needs they find they have. They plan to build a Public Safety Building, which includes the Police and Fire Departments, a Public Works Facility and garage, and renovate and expand the Town Hall.

The current Town Hall was built in 1917 and was first used as a public school until 1925. It then became the Town Hall and was altered to house the Fire Department. The Fire Department moved to their current, more modern facility in 1966, which is not able to meet their needs. With the construction of a new fire station, all their equipment will be housed in bays and easily accessible when needed.

Questions by the Board:

James: What has been the public response?

Answer: They sent out a survey and received a 10% response back. Out of that 10%, 76% were in approval of their plans. They have held several open houses in each of the facilities to show

the public the conditions they are working in. They have also submitted some photographs for us to see the conditions also.

Rich: What is your growth potential?

Answer: We have 12,000 acres available for build-out – we could increase from approximately seven square miles to twenty-one.

James: Has there been any opposition to the annexations?

Answer: No, they have all been voluntary. Things are going very well. We just do not have the capability to meet the needs of the community.

Bob: Did anybody actually oppose at any of the meetings?

Answer: No, they actually just laughed at us. Out of sixty-five people, no one objected. One Councilman did object because of the timing, amount and scope of the project. He did not file any written objections though and he is the only one not with us today.

Bob: Did he offer any alternatives?

Answer: No.

Bob: Will you need to increase staff?

Answer: Yes, some in the Clerk/Treasurer's Office, more police and firefighters. We are attempting to take steps to keep up with the growth.

Bob: Will your General Fund be able to meet the increased expenses?

Answer: Yes. We are the only Town who has not had to go and get tax anticipation warrants. We are a gaming community.

Bob: What type of equipment are you going to purchase?

Answer: We are not planning on purchasing any new equipment, maybe a little furniture. We are planning on using the CCD for the other purchases.

Stan: Have you already bid out the costs – is 3-5% reasonable?

Answer: Yes, we are still seeing 5% or less on bonds.

Recommendation

Stan Mettler motioned to recommend approval of a lease with maximum annual lease rental payments not to exceed \$1,331,000 for a term of twenty-three years. Rich Eckerle seconded and the motion carried 4-0.
